

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Change the Threshold for Qualification for a Sales Tax Resale Certificate**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 36 MRSA §1754-B, sub-§2-B**, as amended by PL 2005, c. 519, Pt. 000, §1, is further amended to read:

**2-B. Provisional resale certificates; new accounts.** The assessor shall issue a provisional resale certificate to each applicant for initial registration that states on its application that it expects to make annual gross sales of ~~\$3,000~~\$500 or more. A provisional resale certificate issued between January 1st and September 30th is effective for the duration of the calendar year in which it is issued and the 2 subsequent years. A provisional resale certificate issued between October 1st and December 31st is effective until the end of the 3rd succeeding calendar year. Each certificate must contain the name and address of the retailer, the expiration date of the certificate and the certificate number. If a vendor has a true copy of a retailer's resale certificate on file, that retailer need not present the certificate for each subsequent transaction with that vendor during the period for which it is valid.[PL 2005, c. 519, Pt. 000, § 1 (AMD).]

**Sec. 2. 36 MRSA §1754-B, sub-§2-C**, as amended by PL 2005, c. 519, Pt. 000, §1, is further amended to read:

**2-C. Annual resale certificates; contents; presentation to vendor.** The assessor shall periodically review the status of each retailer registered under this section. On or before the date of expiration of a resale certificate, the assessor shall issue to each registered retailer with gross sales of ~~\$3,000~~\$500 or more during the 12 months preceding the assessor's review a resale certificate effective for the next 3 calendar years. Any subsequent annual resale certificate issued is effective for the next 5 calendar years. Each certificate must contain the name and address of the retailer, the expiration date of the certificate and the certificate number. If a vendor has a true copy of a retailer's resale certificate on file, that retailer need not present the certificate for each subsequent transaction with that vendor during the period for which it is valid.

### **SUMMARY**

This bill changes the threshold for the requirement to obtain a sales tax resale certificate from \$3,000 to \$500.